



May 31, 2017

## **Why Should Public Schools Incentivize Teachers to Leave?**

Editor  
U.S. News and World Report  
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Dear Editor:

Lauren Camera's article, "Teacher Pension Promises Not Kept," criticizes teacher pensions by describing examples of those who missed out on potential retirement benefits because they left their jobs too soon. But the article ignores a basic purpose for providing these benefits in the first place: to empower school districts to attract and retain qualified teachers. Pension plans for teachers are designed not to enrich those who leave the profession after just a few years, but to create an incentive to join and remain committed to the teaching profession.

Rewarding school teachers who leave the profession early is a poor use of public resources, because it incentivizes behavior that harms schools. Teachers who leave the profession early are expensive to their employers. A 2016 RAND study, "The Hidden Costs of Pension Plan Reform," found that replacing an early-career teacher is estimated to cost as much as \$100,000. The study also notes that turnover can lead to other negative outcomes.

Camera's article also presents a false image of the benefits and options available to most teachers. Most teachers have portability of their contributions and interest, like that of 401k plans. A number of plans offer guaranteed interest on employee contributions, and some permit employees to vest in a portion of the employer contributions as well. Each of the teachers discussed in the article had additional choices available to increase their retirement income. For example, most teacher pension plans allow members to transfer retirement assets from another pension plan, or to purchase service worked in another state. Also, virtually all public school teachers have access to a supplemental retirement savings plan. The article makes no mention of whether or not these teachers took advantage of such plans.

Pension plans for public school teachers are workforce management tools, designed to help accomplish key public policy objectives, such as promoting education outcomes. While short-term employees are given a number of portable retirement savings options, the pension plan's primary purpose is not intended to encourage teachers to leave their jobs.

Sincerely,

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